

Appendix 6

MONTANA OPERATIONS MANUAL (MOM) VOLUME II CHAPTER 8300

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2-8300 Disaster and emergency expenses

2-8310.00 Introduction

This chapter establishes state accounting policy for recording and reporting expenses related to disasters or emergencies. The chapter also discusses the general procedures agencies must follow in order to establish the appropriation authority for expenses related to disasters and emergencies and to receive reimbursement for those costs. In addition, each agency will be required to follow any specific accounting procedures and policies issued by the lead agency related to the handling of disasters and emergencies. Please note that abatement procedures are generally not allowable for expenses related to disasters or emergencies. State employees trained in disaster/emergency response may temporarily be loaned to another state agency if the duties are outside their typical scope of work.

2-8320.00 General information

When the State of Montana responds to an event that does not warrant the Governor declaring a state of disaster or emergency, state agencies will have to bear the costs of the response from existing budgets. State agencies must establish a separate org to track these expenses for future documentation. If an employee has training and expertise outside of their normal job, (for example, a computer programmer for Department of Administration could act as a fire management team leader with Department of Natural Resources and Conservation (DNRC)) the agency director could temporarily loan the employee to DNRC. The loaned employee would go on the payroll of DNRC (or the lead agency) at their current rate of pay.

When the Governor of Montana declares an emergency or disaster, the lead agency will coordinate with supporting state agencies to provide an appropriate response. The lead agency is designated in the Montana Disaster and Emergency Plan – Volume I. (For example, DNRC is the lead agency for wildland fires). When an agency is tasked to provide assistance, the agency will request a general fund statutory appropriation to cover personnel overtime and travel costs. Additional costs must be formally agreed to in advance with the lead agency.

2-8330.00 Request for appropriation authority

The following process will be used:

1.
 - a. Fill out an OBPP budget change document (BCD) numbered SA10032-xx or SA10033-xx (where xx is a unique two-digit agency number) requesting a statutory appropriation (SA) out of the General Fund. Obtain the subclass name from the lead agency to insert into the journal description area. In the BCD justification, include the rationale for the funding requested, the Executive Order #, the authorization 10-3-310, -311, -312, or 10-3-203, MCA, (whichever is applicable), the notation of the newly-established org or project grant that is tied to the statutory appropriation, and a note whether an FTE is required. Fax one copy of the Executive Order (available from the lead agency).
 - b. Task the completed BCD to the Governor's Office of Budget and Program Planning (OBPP) for review and processing.

- c. The OBPP will follow normal BCD processes and may work with the lead agency and all participating agencies in developing specific procedures.

All other agency expenses not authorized against the statutory appropriation must be requested through the lead agency as a resource order and will be paid directly to the vendor by the lead agency through the disaster fund program (General Fund).

Regular time spent by state employees on disaster/emergency response shall not be paid out of the disaster fund but shall be charged to the agency's normal operating funds, unless the employee is on loan for disaster/emergency response and is working outside of his/her normal job. However, the agency must track regular time spent on disaster/emergency response for possible reimbursement in the event of a federal Presidential Disaster Declaration or reimbursement by a responsible party or local jurisdiction. Each agency must establish a separate org or project grant to track agency regular time and overtime disaster expenses.

In all instances, agencies are required to maintain appropriate accounting records to support expenses caused by disaster situations. These files will be used by the lead agency to request reimbursement following the prescribed procedures. Agencies that have federal disaster recovery funds available directly from federal sources, such as Department of Transportation, will continue to apply for those funds individually. Such agencies must notify the lead agency upon receipt of the direct federal recovery.

2-8340.00 Request for reimbursement

There are four different procedures for requesting and receiving reimbursement for expenses:

2.
 - a. Request for reimbursement of personnel overtime, travel expenses and pre-authorized items on an approved resource order in support of a disaster that are paid with a statutory appropriation from the disaster fund and a department's regular operating budget.

A copy of the MTGL0106-O/P (SABHRS Financial Report) is required for all personnel overtime and travel expenses for which reimbursement is being requested. Supporting documentation is required for each expense on the report(s). All documentation will be provided to the lead agency, which shall be responsible for submitting all state agency disaster/recovery claims to the appropriate federal agency, local or tribal jurisdiction or responsible party for possible reimbursement. When reimbursement is received, the lead agency will record the amount received as revenue in the disaster fund. The lead agency will transfer to the General Fund all of the money related to overtime, travel and any eligible expenses paid directly out of the General Fund.

If reimbursement is received for regular time spent on the disaster/emergency response, the lead agency will record a transfer-out to the individual agencies on an Inter-unit Journal for the amount expended by the agency out of a fund other than the disaster fund for which reimbursement was requested and approved. The receiving agency will record a transfer-in into the fund that had recorded the original expenses. At that time, the agency could request a budget amendment to its original budget, if they had been forced to spend their appropriation for such things as temporary employees or back-filling positions.

- b. Request for reimbursement of project costs applicable to a federal disaster.

Supporting documentation is required for each expense for which reimbursement is being requested. All documentation will be provided to the lead agency, which shall be responsible for submitting all state agency disaster/recovery claims to the appropriate federal agency for reimbursement. When reimbursement is received, the lead agency will record the amount received as revenue in the disaster fund. The lead agency and/or Department of Military Affairs (DMA) are responsible for coordinating all claims related to a federal disaster, including claims from state agencies, local and tribal governments and eligible private nonprofit organizations for a specific grant, such as FEMA. Sub-grants to state agencies are classified as interfund services provided and used. The lead agency and/or DMA will record an expenditure to grants on an Inter-unit Journal for the amount expended by the agency out of a fund other than the disaster fund for which reimbursement was requested and approved. The receiving agency will record revenue in the fund that had recorded the original expenses. The administrative appropriation (AA) transaction request related to the reimbursement received must follow procedures outlined in the BCD instructions for AA quasi-external transactions.

- c. Direct reimbursement for a resource that is directly supporting a local or tribal jurisdiction or third party operation.

If a local or tribal jurisdiction or third party requests a resource through the lead agency and the resource is directly supporting the jurisdiction or third party operation, then the entity providing the resource is responsible for billing the jurisdiction or third party directly. Direct support may be established through evidence of a separate contract for service with the resource. The agency providing the resources to the jurisdiction or third party must record the expenses for the costs incurred. If the costs are not reimbursed, the agency will have to bear the cost of the response from existing budgets. The agency providing the resource should determine whether the resource provided is considered to be part of the normal or routine mission of that agency and refer to MOM Volume II policy to determine if an expense abatement is appropriate or whether revenue should be recorded.

- d. An agency director may loan an employee with training and expertise in disaster/emergency response, to a lead agency. The lead agency will be responsible for all expenses related to that individual.

Appendix 7

NIMS Compliance

MASS

FEMA NIMS Integration Center and the
Office of Grants and Training
U.S. Department of Homeland Security



Homeland Security

August 16, 2006

RECEIVED

AUG 29 2006

DISASTER & EMERGENCY SERVICES
STATE OF MONTANA

Dan McGowan
Acting Homeland Security Advisor
Montana Disaster & Emergency Services
Disaster and Emergency Services Division
1900 Williams Street
Fort Harrison, MT 59636

Dear Dan McGowan:

Homeland Security Presidential Directive-5, *Management of Domestic Incidents* required the adoption of NIMS by all Federal departments and agencies, and established compliance with NIMS as a prerequisite to the receipt of future Federal preparedness assistance funding for states, territories, local jurisdictions and tribal entities. The NIMS was subsequently promulgated by the Department of Homeland Security (DHS) on March 1, 2004, to provide a comprehensive and consistent national approach to all-hazards incident management, applicable at all jurisdictional levels and across functional disciplines.

All States, tribal entities, and local jurisdictions that receive Federal preparedness funding in the form of grants, cooperative agreements and direct contracts have as a condition of receiving this funding the requirement to be in compliance with the NIMS. As an example, NIMS implementation and compliance is a specific requirement under the DHS Office of Grants and Training (G&T) FY06 Homeland Security Grant Program (HSGP) as stated under *Section I-National Preparedness* in the FY06 HSGP Program Guidelines and Application Kit. Consistent with the process in FY05, States may self-certify their NIMS compliance. By satisfying the FY06 NIMS requirements, States and territories are acknowledging their ongoing responsibilities and support to ensure NIMS implementation by States, territories, tribal entities, and local jurisdictions.

The lessons learned from the 2005 hurricane season reinforced the need to ensure that all levels of government across the nation have the operational ability to work efficiently and effectively together, using a national approach to domestic incident management. The NIMS is a dynamic system, and the doctrine, as well as the implementation requirements, will continue to evolve as we gain more experience with its application. DHS will provide implementation guidance for FY07 by October 1, 2006. FY07 also marks the transition where self-certification of NIMS compliance will be replaced by specific performance-based metrics. The details of these metrics will be provided to States, territories, tribal entities, and local jurisdictions with the FY07 NIMS implementation package.

These transition guidelines will acknowledge that not every community or individual responder will have completed all of the requirements in FY06. Accordingly, states that certify compliance will be certifying that most compliance measures have been realized and that good faith efforts are underway to achieve full compliance.

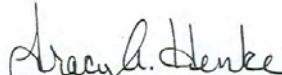
To verify compliance, the State Administrative Agency (SAA) responsible for administering HSGP funds within the state will need to complete and sign the attached NIMS FY06 Certification Form and returned it by fax to G&T, on or before October 20, 2006. Fax numbers are located on the top of the NIMS FY06 Certification Form. Submission of the enclosed certification form will verify compliance with the minimum FY06 NIMS requirements. States will not be eligible to receive FY07 HSGP funds until this Certification is received.

If you have any questions or need additional information, please contact your assigned G&T Preparedness Officer. You may also call the NIMS Integration Center at (202) 646-3850 or contact the NIC at: NIMS-Integration-Center@dhs.gov. We thank you for your cooperation and look forward to working with you to enhance our nation's preparedness.

Sincerely,



Mr. Al Fluman, Acting Director
NIMS Integration Center
Federal Emergency Management Agency
500 C Street, SW
Washington, DC 20472



Ms. Tracy Henke, Assistant Secretary
Office of Grants and Training
DHS Preparedness Directorate
810 Seventh Street, NW
Washington, DC 20531

cc: Honorable Brian A. Schweitzer
R. David Paulison, Under Secretary, FEMA
George Foresman, Under Secretary, Preparedness
Chet Lunner, Executive Director, Office of State and Local Government Coordination

Robert Flowers, Regional Director, FEMA Region VIII
Mark Silveira, G&T Preparedness Programs Division



Homeland Security

NIMS FY06 CERTIFICATION

Please sign and return this form attention to the Office of Grants and Training at the Centralized Scheduling and Information Desk (CSID) fax number (202-786-9920) on or before October 20, 2006

I certify that Montana, in coordination with our tribal and local governmental entities, has successfully complied with the following 23 FY06 NIMS compliance requirements ("taken as a whole") as directed by the NIMS Integration Center and DHS' Homeland Security Grant Program:

State Adoption and Infrastructure

- 1) Adopted NIMS at the state/ territorial level for all government departments and agencies; as well as promote and encourage NIMS adoption by associations, utilities, non-governmental organizations (NGOs) and private sector incident management and response organizations; monitored formal adoption of NIMS by all tribal and local jurisdictions.
- 2) Established a planning process to ensure the communication and implementation of NIMS requirements across the state, including Tribal entities and local governments. This process must provide a means for measuring progress and facilitate reporting.
- 3) Designated a single point of contact within the state government to serve as the principal coordinator for NIMS implementation statewide.
- 4) To the extent permissible by law, ensured that federal preparedness funding to state and territorial agencies and tribal and local jurisdictions is linked to satisfactory progress in meeting the requirements related to FY06 NIMS implementation requirements.
- 5) To the extent permissible by state and territorial law and regulations, audit agencies and review organizations routinely included NIMS implementation requirements in all audits associated with federal preparedness grant funds. This process will validate the self-certification process for NIMS compliance.

Command and Management

- 6) Incident Command System (ICS): Managed all emergency incidents and preplanned (recurring/special) events in accordance with ICS organizational structures, doctrine and procedures, as defined in NIMS. ICS implementation must have included the consistent application of Incident Action Planning and Common Communications Plans.
- 7) Multi-agency Coordination System: Coordinated and supported emergency incident and event management through the development and use of integrated multi-agency coordination systems.
- 8) Public Information System: Institutionalized, within the framework of ICS, the Public Information System, comprising of the Joint Information System (JIS) and a Joint Information

Center (JIC). The Public Information System ensures an organized, integrated, and coordinated mechanism to perform critical emergency information, crisis communications and public affairs functions which is timely, accurate, and consistent. This includes training for designated participants from the Governor's office and key state agencies.

Preparedness: Planning

- 9) Established the State's NIMS baseline against the FY05 and FY06 implementation requirements.
- 10) Coordinated and leveraged all federal preparedness funding to implement the NIMS.
- 11) Revised and updated plans and SOPs to incorporate NIMS and National Response Plan (NRP) components, principles and policies, to include planning, training, response, exercises, equipment, evaluation and corrective actions.
- 12) Promoted intrastate and interagency mutual aid agreements, to include agreements with the private sector and non-governmental organizations.

Preparedness: Training

- 13) Leveraged training facilities to coordinate and deliver NIMS training requirements in conformance with the NIMS National Standard Curriculum.
- 14) Completed IS-700 NIMS: An Introduction
- 15) Completed IS-800 NRP: An Introduction
- 16) Completed ICS 100 and ICS 200 Training

Preparedness: Exercises

- 17) Incorporated NIMS/ICS into all state and regional training and exercises.
- 18) Participated in an all-hazard exercise program based on NIMS that involves responders from multiple disciplines and multiple jurisdictions.
- 19) Incorporated corrective actions into preparedness and response plans and procedures.

Resource Management

- 20) Inventoried state response assets to conform to homeland security resource typing standards.
- 21) Developed state plans for the receipt and distribution of resources as outlined in the National Response Plan (NRP) Catastrophic Incident Annex and Catastrophic Incident Supplement.
- 22) To the extent permissible by state and local law, ensured that relevant national standards and guidance to achieve equipment, communication and data interoperability are incorporated into state and local acquisition programs.

Communication & Information Management

23) Applied standardized and consistent terminology, including the establishment of plain English communications standards across public safety sector.

(Name & Title of SAA Official): Dan W. Mc Gowan, Administrator

(Name of State or Territory): Montana

Signature: Dan W. Mc Gowan Date: 10/16/06